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INFO RUCNCOM/EC CARICOM COLLECTIVE PRIORITY  
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RUEHUB/USINT HAVANA PRIORITY 0096  
RHMFISS/DEPT OF HOMELAND SECURITY WASHINGTON DC PRIORITY  
RUEHC/SECSTATE WASHDC PRIORITY 5950  
RUCPDOG/DEPT OF COMMERCE WASHDC PRIORITY  
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C O N F I D E N T I A L BRIDGETOWN 001561

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DEPARTMENT FOR WHA/CAR, WHA/AND, WHA/EPSC, AND  
EEB/ESC/IEC/EPC  
CARACAS FOR ANDREW BOWEN  
SOUTHCOM ALSO FOR POLAD

E.O. 12958: DECL: 03/08/2017  
TAGS: [ECON](#) [ENRG](#) [PREL](#) [PGOV](#) [PHUM](#) [PINR](#) [XL](#) [CU](#)  
SUBJECT: PETROCARIBE #34: EC LEADERS FLOCK TO PETROCARIBE  
SUMMIT

REF: A. A) BRIDGETOWN 286

[B. B\)](#) BRIDGETOWN 228  
[C. C\)](#) BRIDGETOWN 353

Classified By: CDA O.P. Garza for reasons 1.4 (b) and (d).

[1](#)1. (U) Summary: Eastern Caribbean Heads of State departed for the Fourth Petrocaribe Summit on Friday, December 21st in Cienfuegos, Cuba. The summit comes among praises from leaders in St. Kitts and Nevis and St. Vincent and the Grenadines, who have benefited from the Petrocaribe program. The participation levels may reflect an understandable byproduct of rising energy costs that disproportionately impact these small economies, but do not necessarily reflect growing political sympathies with either Cuba or Venezuela. End summary.

[1](#)2. (U) Various government ministers from Antigua and Barbuda, Barbados, Dominica, St. Kitts and Nevis, St. Lucia and St. Vincent and the Grenadines are traveling to Cienfuegos, Cuba for the Fourth Petrocaribe Summit to be held on December 21st. St. Vincent and the Grenadines and Antigua and Barbuda are reportedly being represented by their Heads of State, Prime Minister Ralph Gonsalves and Prime Minister Baldwin Spencer, respectively.

Petrocaribe Making News in St. Kitts and St. Vincent  
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[1](#)3. (U) St. Kitts and Nevis will be represented by Energy Minister Dr. Asim Martin and Permanent Secretary Oaklyn Peets, who only a week earlier announced the successful delivery of the first batch of Petrocaribe fuel. On December 6th, St. Kitts received a shipment of 6,876 barrels of diesel fuel, or 294,000 gallons. The GOSKN marked the event with a highly-publicized ceremony hosted by Prime Minister Denzil Douglas. Several days later, news reports stated that Venezuela plans to begin building a fuel terminal on St. Kitts in the first quarter of 2008. St. Kitts currently has two fuel storage facilities, one owned by Texaco and the other by Shell. According to reports, PDVSA claims the facility will have a capacity of 34,300 barrels. The recent PetroCaribe developments come just months after St. Kitts and

Nevis purchased a second generator to support the increased energy demands of its growing tourism industry.

14. (SBU) St. Vincent and the Grenadines (SVG) is sending a nine-man delegation to the summit, led by Prime Minister Ralph Gonsalves. In late November, he hailed Petrocaribe as a "huge success" for his country, exclaiming to the media, "if somebody gives you 40 percent credit at one percent interest over 25 years it is extraordinarily generous." According to Gonsalves, SVG has accessed \$1.8 million USD from ALBA CARIBE, as part of its development fund under the Petrocaribe agreement. Gonsalves is expected to meet separately with Cuban officials to discuss plans for St. Vincent's proposed Argyle International Airport.

A Revisitation by St. Lucia  
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15. (C) At the last minute, the GOSL ordered Trade Minister Guy Mayers to attend the summit. Titus Preville, Permanent Secretary for Trade, admitted to PolOff that St. Lucia's

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objective is to "just hear what is being said." Given the ruling party's strong stance against Petrocaribe shortly after the December 2006 elections, Preville was clearly surprised that the government chose to send a representative. Recently, however, government spokesperson Jeff Feddee announced "the GOSL will soon no longer be able to subsidize fuel prices given the global rising price of fuel, which may influence St. Lucia to revisit the Petrocaribe offer."

Comment  
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16. (C) High-level participation by EC leaders in this Fourth Summit shows that Petrocaribe is alive and well in the

region. While the actual benefits of Petrocaribe to the Eastern Caribbean are minimal in some countries and questionable in others, Petrocaribe still gets strong political mileage in the region. And combined with Venezuela's promises of more benefits to come, Eastern Caribbean leaders are more than happy to oblige. In private, one energy official from Barbados told Econoff that "the Caribbean is not stupid; these countries have no intention of paying off under a payment plan that will expire long after everyone (of the signatories) is dead." End Comment.  
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